EVALUATION OF HOUSING FINANCING ASSISTANCE POLICIES FOR LOW-INCOME PEOPLE IN DKI JAKARTA

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Keywords	ABSTRACT
housing backlog, housing financing policy, policy evaluation, public policy	This study aims to find out how to evaluate housing financing assistance policies for low-income people in the DKI Jakarta area. The research used a descriptive research design with a quantitative approach. The data collection technique used was a mixed method through respondent questionnaire surveys, interviews, and literature studies. The sample in this study consisted of respondents who had received the benefits of housing funding assistance policies and those who had not. The results of this study show that the leveling in the evaluation of housing finance assistance policies can be measured based on two indicators, namely, the policy has been evenly and comprehensively distributed, and the usefulness of the policy in overcoming the housing backlog in DKI Indonesia is felt by MBR. Meanwhile, from the utility aspect, the housing financing financing assistance policy is beneficial for MBR in acquiring subsidized houses. Furthermore, there are still shortcomings that must be corrected both from the supply aspect housing, strengthening policy monitoring and evaluation, strengthening governance and institutions, strengthening laws and regulations, strengthening collaboration and synergy between stakeholders, and strengthening collaboration. This study offers valuable insights for policymakers to design more equitable and sustainable housing financing strategies, addressing critical socio-economic issues in urban housing.

INTRODUCTION

Community welfare is an important factor in determining the success of achieving the goals of a country. Welfare for the community can be achieved if the state has succeeded in meeting the community's basic needs (Marris & Rein, 2018; Rizal & Susilahati, 2023; Sullivan & Hickel, 2023; UDJIANTO et al., 2021; Winston, 2022). The 1945 Constitution Article 28H paragraph (1) clearly states that every individual has the right to obtain physical and mental welfare, a good place to live, and adequate health services. The state is obligated to meet its people's basic needs, including the ownership of houses as residences. (Berger et al., 2021; Coote, 2021; Madden & Marcuse, 2016; Power, 2021; Watson, 2023) The provision of houses for all levels of society is the focus of policies for the government. The government policies related to the fulfilment of housing needs has basically been included in the development agenda and has been listed in the 2020-2024 RPJMN, especially in National Priority (PN) 5 and technically downgraded to Priority Projects related to increasing housing cost facilitation as follows:
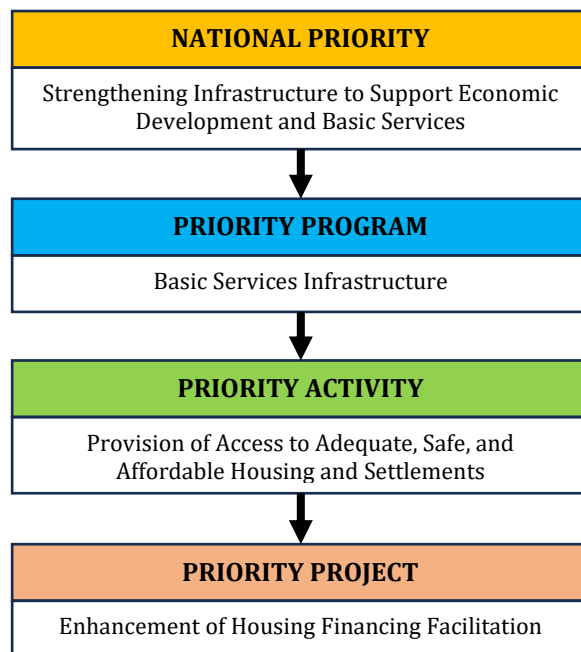
NATIONAL PRIORITY
Strengthening Infrastructure to Support Economic Development and Basic Services

↓

PRIORITY PROGRAM
Basic Services Infrastructure

↓

PRIORITY ACTIVITY
Provision of Access to Adequate, Safe, and Affordable Housing and Settlements

↓

PRIORITY PROJECT
Enhancement of Housing Financing Facilitation

Figure 1. Housing Financing Assistance Policy
Source: Appendix 3 of the National Medium-Term Development Plan for 2020-2024, processed

Actors who have involvement in the implementation of this policy include the Government (Central and Regional) and regional Governments. Distributing banks, state-owned legal entities (TAPERA), business/private entities, and developers. The collaboration between these actors aims to help government policies succeed in meeting the need for housing for low-income communities (MBR, *Masyarakat Berpenghasilan Rendah*). However, there are not a few phenomena found from the existence of people who do not own houses, this can be seen from the backlog data of home ownership.

The backlog problem is still an unsolved problem. The backlog of home ownership data on a national scale is still high from year to year and tends to increase, although it had dropped in 2022 to 11.6 million but increased again in 2023 to 12.7 million people even though the government has implemented various policies to reduce the backlog rate. It can be seen as the following data:
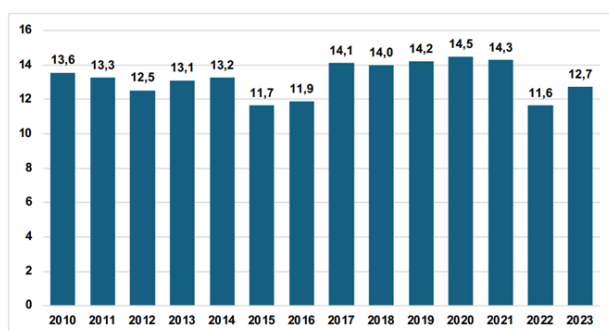

Figure 2. Data on the Number of Housing Backlogs in 2010-2023
Source: PPDPP Ministry of PUPR 2023, processed

Based on data obtained from publications issued by the Central Statistics Agency (BPS), on a national scale, DKI Jakarta Province has the lowest proportion of households with the status of owning their own houses when compared to other provinces in Indonesia as follows:

Table 1. Data on the Number of Housing Backlogs in 2021-2023

Province Name	2021	2022	2023
Aceh	80.51	83.32	84.13
North Sumatra	67.57	70.04	71.46
West Sumatra	72.63	75.14	77.6
Riau	72.52	76.52	77.56

Jambi	79.76	86.21	87.28
South Sumatra	81.32	84	84.71
Bengkulu	84.92	87.46	88.38
Lampung	89.4	93.81	94.4
Bangka Belitung District	83.14	88.39	88.05
Riau District	76.53	89.39	72.97
Jakarta	48.48	56.13	56.57
West Java	79.63	82.61	83.38
Central Java	89.92	90.98	91.05
Yogyakarta	76.53	85.1	86.43
East Java	88.8	90.87	90.92
Banten	82.82	84.96	85.07
Bali	85.83	89.35	85.24
West Nusa Tenggara	87.36	90.74	91.35
East Nusa Tenggara	85.22	89.95	90.74
West Kalimantan	88.21	90.79	91.43
Central Kalimantan	77.04	80.92	81.92
South Kalimantan	79.83	81.2	83.09
East Kalimantan	70.76	74.95	75.14
North Kalimantan	74.52	77.55	76.94
North Sulawesi	77.37	79.12	79.47
Central Sulawesi	84.46	88.32	88.44
South Sulawesi	84.75	87.4	87.68
Southeast Sulawesi	80.33	89.74	90.54
Gorontalo	81.16	84.81	85.14
West Sulawesi	89.72	92.91	93.35
Maluku	86.35	89.28	84.66
North Maluku	83.4	89.41	90.26
West Papua	76.03	81.8	82.94
Papua	83.2	86.38	85.31

Source: Central Statistics Agency 2023, processed

This shows that DKI Jakarta has the highest number of backlog cases when compared to other regions and is below the national average backlog. Then, the data is further studied to see the backlog data from each administrative city in the DKI Jakarta area in 2023 itself, as listed in Table 1. Based on the data on the number of housing backlogs in DKI Jakarta, it can be seen that the highest position is occupied by East Jakarta with 416,412, followed by West Jakarta with 297,957, then South Jakarta with 283,434, North Jakarta with 237,073, and in the last position of the Thousand Islands with 992 people (BPS, 2023).

The high backlog is caused by several factors that affect the number of home ownership backlogs, including the increasing property prices over time due to the limited amount of land (HERAWATI et al., 2023; Hidayati & Bagas, 2024; Nurkhayati & Fitrady, 2024; Tarigan et al., 2024), which results in a decrease in people's purchasing power to buy houses. The condition of increasing the number of poor people and the limited amount of land in Jakarta, but the number of people continues to increase the number of households recorded in DKI Jakarta Province in 2023 by 2.78 million. With the calculation of the average household growth in the province in the last 9 (nine) years, it is 8.3%; this condition also has implications for slum living due to the inability of the poor to obtain a decent place to live. The top five positions are the number of households living in slums in Indonesia (BPS, 2023).

The government, in overcoming the backlog problem, has launched various housing financing assistance policies, namely the 1 Million Houses program since 2015, which has achieved as many as 7,988,585 units with an average of 998,573 units per year, housing financing policies through the housing financing liquidity facility (FLPP) for subsidized houses, Down Payment Subsidy (SBUM), Interest Difference Subsidy (SSB), In the SBUM scheme, the subsidy provided by the government is in the form of assistance for the fulfilment of part or all of the down payment needed to acquire a house. Meanwhile, in the FLPP scheme, the assistance provided by the government is in the form of a financing

liquidity facility for MBR, which is implemented in collaboration with the distributing bank, and SSB is assistance in providing subsidies on the interest difference given to low-income people.

Not only that, the central government and regional governments, as well as housing financing assistance policies, are not only given in the form of landed houses but also in the vertical concept of flats commonly known as subsidized apartments. Rusunami is a flat intended for MBRs who do not have their own place to live and can be owned by using a housing credit facility (KPR) with certain requirements. Meanwhile, Rusunawa is aimed at meeting the needs of MBR who do not have a place to live and people affected by the urban planning program with relatively low rental costs is one of the solutions presented by the government to overcome the problem of housing backlog for MBR in DKI Jakarta (Pusat Pengelolaan Dana Pembiayaan Perumahan Kementerian PUPR, 2022).

Various policies regarding housing financing assistance for MBR have been rolled out and implemented by the Central Government and Regional Governments not only in DKI Jakarta but also in all regions in Indonesia, although the current housing backlog phenomenon is still high and has not experienced a significant decrease. In fact, ideally, if the policies given are appropriate, the backlog will be unravelled. For this reason, the researcher conducted a study on the evaluation of housing financing assistance policies that have been provided so far, especially for low-income people in DKI Jakarta, with the highest backlog level on a national scale.

This study aims to find out how to evaluate housing financing assistance policies for low-income people in the DKI Jakarta area. The research contributes to the field of public policy and housing studies by providing an evaluation of housing financing assistance policies targeting low-income individuals in the DKI Jakarta area. It highlights the effectiveness, challenges, and potential improvements of these policies, addressing critical socio-economic issues in urban housing. By focusing on the specific needs of low-income communities in a densely populated region, the study offers valuable insights for policymakers to design more equitable and sustainable housing financing strategies. Additionally, it lays the groundwork for future research on the broader implications of such policies on urban development and social welfare.

METHODS

This research used a descriptive research design with a quantitative approach. The sample in this study consisted of low-income communities in DKI Jakarta, including those who had received the benefits of housing financing assistance policies and those who had not. Through calculations, Slovin determined a sample size of 400 respondents. The sampling technique applied for low-income individuals who had received policy benefits was purposive sampling, while the accidental random sampling technique was used for low-income individuals who had not received policy benefits or were part of the backlog. The researcher also conducted in-depth interviews with five expert speakers as follows:

Table 2. Data on the Number of Housing Backlogs in 2010-2023

Name	Position	Information
Dr. Ali Maulana Hakim, S.IP., M.Si	Mayor of North Jakarta Administrative City	Representative of Local Government Executive Informant
MA	Functional Planner, Directorate General of Housing, Ministry of Public Works and Housing	Representative of Central Government Executive Informant
Fariq Muhammad Reza, S.T, ME	Regional Monitoring and Control Housing Subsidies Supervisor, Bank Tabungan Negara	Representative of Bank Subsidy Distributor Expertise Informant
Panangian Simanungkalit	Expert & Analyst in Property and Housing a. Owner and Founder of Panangian School of Property (1998-2024) b. Expert Staff to the Minister of Housing, Republic of Indonesia (2004-2009) c. Consultant for the Indonesian Real Estate Developers Association (REI) (2005)	Representative of Property and Housing Analyst Expertise Informant

Wasan	CEO, PT Nusa Graha Idaman (Developer of Green Paine Residence Subsidized Housing, with over 1,100 units realized, total value exceeding Rp181.65 million)	Representative of Developer Informant

Source: Researcher Processing, 2024

The data sources in this study were from primary and secondary data sources. The data collection technique used was a mixed method through respondent questionnaire surveys, interviews, and literature studies. In this study, the data analysis technique used was univariate analysis. This univariate analysis was employed to explain or describe the characteristics of each variable studied. Meanwhile, the data processed consisted of quantitative data obtained from surveys using the Likert Scale.

RESULTS

Research on Policy Evaluation aims to assess whether a public policy has succeeded in providing the desired results, namely by comparing the results obtained with the policy's objectives. In this context, the evaluation in question is the evaluation of the financing assistance policy for the DKI Jakarta MBR, whether, in its implementation, it has been able to provide the desired results or not and whether the financing assistance policy for the DKI Jakarta MBR has succeeded in achieving its goals.

Policy Evaluation

There are six main criteria for evaluating a public policy, namely effectiveness, efficiency, adequacy, levelling, responsiveness, and accuracy (Dunn, 2006).

The effectiveness in the evaluation of housing financing assistance policies can be measured based on two indicators, namely the achievement of policy objectives to overcome the housing backlog in DKI Jakarta and the achievement of policy objectives to improve welfare for MBR in DKI Jakarta.
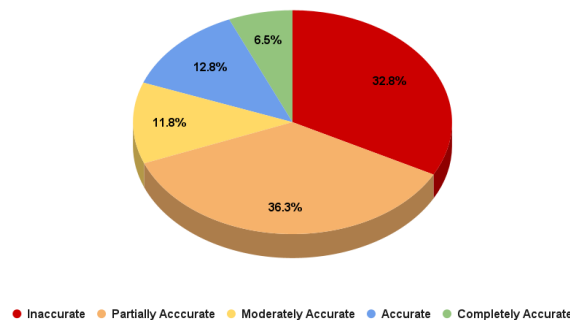

Figure 3. Effectiveness of Housing Financing Assistance Policy for MBR DKI Jakarta
Source: processed by researchers

Based on the results of the research, this indicator has not been fulfilled because the backlog in DKI Jakarta is still high and has not experienced a significant decrease because there are still many MBRs in DKI Jakarta that have not received and are not even interested in taking advantage of housing financing assistance facilities. The lack of interest of MBR DKI Jakarta in subsidized housing is due to the characteristics of MBR DKI Jakarta, which are different from those of other regions. Not only the problem of economic factors but also access to locations and infrastructure facilities to support their mobility with office centres are considerations that burden them to use policy facilities so that the backlog is still high. In addition, there is a difference in viewpoints between the public and the government in interpreting the achievement of policy goals. The public interprets the achievement of policy goals as having more emphasis on reducing the backlog number, while the government interprets the achievement of policy goals as emphasising only the achievement of the housing supply target that has been set every year (policy output level).

Efficiency in the evaluation of housing financing assistance policies can be measured based on 3 (three) indicators, namely the affordability of subsidized housing prices/costs, the speed of time needed in the process of obtaining subsidized housing, and the ease of MBR in obtaining subsidized housing.
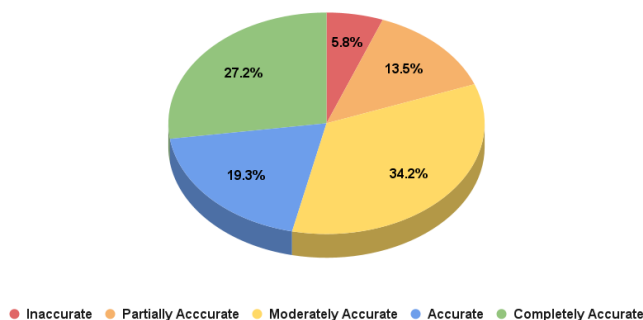
Figure 4. Efficiency of Housing Financing Assistance Policy for MBR DKI Jakarta
Source: processed by researchers

Based on the results of the research, this indicator is quite accurate. The price/cost of subsidized houses can be said to be affordable for MBR in DKI Jakarta, and the pricing is based on considerations of people's purchasing power, raw material prices every year, inflation, and land prices. However, there is a need for a review related to the incentive mechanism for developers because some developers consider the profitability of subsidized housing projects to be relatively low, which implies a lack of interest in developers to be involved in subsidized policy projects from the government and even has the potential to affect the quality of subsidized housing buildings, from the aspect of time, the time needed in the process of obtaining subsidized housing is relatively fast. Meanwhile, in terms of convenience, the process of applying for the acquisition of subsidized houses takes 7 working days. The process and requirements for obtaining subsidized housing can be said to be relatively easy. The required requirements are in the form of personal data documents, income documents and house order letters. Meanwhile, the application process can be done offline and online.

The adequacy in the evaluation of housing financing assistance policies can be measured based on two indicators, namely the Adequacy of the Number (Unit) of Subsidized Housing Provisions and the Feasibility of Subsidized Housing Supporting Facilities and Infrastructure (clean water, electricity, physical condition of buildings, sanitation, transportation access, other supporting facilities).
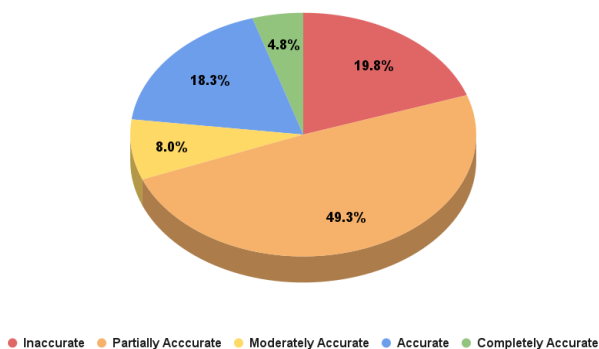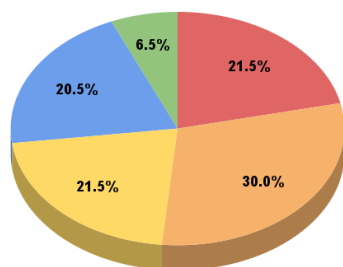

Figure 5. Adequacy of Housing Financing Assistance Policy for MBR DKI Jakarta
Source: processed by researchers)

Based on the results of the study, this indicator has not been fulfilled because the number of subsidized houses currently provided by the government has not sufficiently offset the number of MBRs that require policy benefits. The insufficient number of subsidized houses is also confirmed by the Government, which thinks that there must be an increase in the number of units and budget allocations, the problem of limited quota availability of subsidized houses is also felt by distributing banks and developers as the executors of this policy, many MBR who should be able to sign credit contracts and obtain subsidized houses must be delayed and even cancel contracts, then the facilities and infrastructure of subsidized houses are still not good. Especially the quality of materials The building and location of subsidized houses on land provided by the government are far from economic and transportation activities that have not been integrated. There is a need to strengthen monitoring and evaluation related to the review of PSUs (Infrastructure, Facilities, and Utilities) by the government, as well as strengthening the verification of facilities and infrastructure by distributing banks so that subsidized houses can be given to MBR with good quality.

The leveling in the evaluation of housing financing assistance policies can be measured based on two indicators namely the policy has been evenly and comprehensively distributed, and the usefulness of the policy has been felt by MBR in DKI Jakarta.
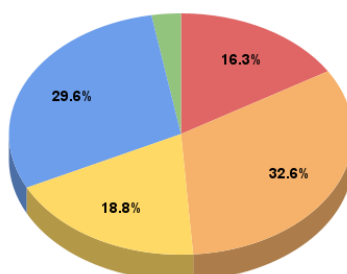

Figure 6. Flattening Housing Financing Assistance Policy for DKI Jakarta MBR
Source: processed by researchers

Based on the results of the research, this indicator has not been fulfilled because the housing financing assistance policy has not been evenly distributed. There are still many MBRs in Jakarta who should receive policy benefits but have not yet become recipients of assistance. The problem of uneven and comprehensive policy distribution, apart from the lack of supply of the number of houses, according to the government, is also caused by the limitations of data technology that has not been integrated so that there are still MBRs that have not been recorded as beneficiaries. Meanwhile, from the utility aspect, the housing financing assistance policy is beneficial for MBR in DKI Jakarta in acquiring subsidized houses.

Responsiveness in the evaluation of housing financing assistance policies can be measured based on 4 (four) indicators, namely the level of support of the DKI Jakarta MBR for policy sustainability, the government's commitment to the policy, the implementation of policy socialization for the DKI Jakarta MBR and the availability of reporting/complaint facilities on the policy.

Figure 7. Responsiveness of Housing Financing Assistance Policy for DKI Jakarta MBR
Source: processed by researchers

Based on the results of the study, this indicator is not accurate. Basically, respondents support the implementation and sustainability of housing financing assistance policies, however, from the aspect of government commitment, which is considered to be still not optimal and still needs to be improved, especially in the aspects of implementation, monitoring and supervision of policy implementation, socialization carried out by the government has not been optimal and has not been carried out massively so that there are still many MBR who do not know the information and procedures in detail, even the majority of MBRs Knowing information about the policy, then from the reporting/complaint service facilities has not run optimally because there are still many respondents who do not know the availability of reporting/complaint services that are available and some respondents stated the length of the follow-up process on the complaints made. There is a need to establish operational standards for quick and responsive procedures in following up on complaints.

The accuracy in the evaluation of housing financing assistance policies can be measured based on 3 (three) indicators, namely the accuracy of policy targets and objectives, the accuracy of determining the criteria for beneficiaries, and the accuracy of policies to overcome housing backlog problems.
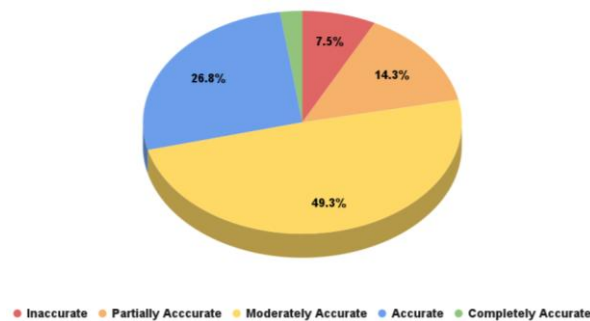

Figure 8. Correctness of Housing Financing Assistance Policy for MBR DKI Jakarta
Source: processed by researchers

Based on the results of the research, this indicator is quite appropriate, the policy is still not on target because respondents think that in its implementation, many beneficiaries are found not in accordance with the criteria that have been determined or are not the group that should receive assistance. In addition, there are still subsidized houses that are vacant or have not been occupied, rented, or even re-sold. It is necessary to strengthen monitoring and the implementation of strict sanctions by the government as well as strengthen compliance verification by distributing bank officers. While the determination of the criteria for beneficiaries of housing financing assistance policies for MBR in DKI Jakarta is appropriate Although the determination of the criteria is considered appropriate, more in-depth attention is needed, especially on the aspect of MBR with groups 1 to 3 decile with an income of Rp 1.9 million to Rp 3.9 million who still have not received the distribution of policy assistance as much as MBR decile 4 to decile 8. Then, in the aspect of policy appropriateness in overcoming the backlog, Basically, conceptually, respondents consider that the housing financing assistance policy is appropriate to be used as a policy solution to the housing backlog problem for MBR, but nevertheless in its implementation there are still shortcomings that must be corrected both from the supply aspect housing, strengthening policy monitoring and evaluation, strengthening governance and institutions, strengthening laws and regulations, strengthening collaboration and synergy between stakeholders.

CONCLUSION

Findings reveal that the policy performs poorly in effectiveness, adequacy, equity, and responsiveness, while efficiency and appropriateness are rated as good. Recommendations for improvement include increasing subsidized housing quotas, optimizing policies for vertical housing, enhancing monitoring and supervision to ensure targeted and high-quality housing, and conducting public education on the policy. Suggestions also highlight the need for integrated complaint systems, realignment of ministry functions, and strengthened cooperation between central and local governments. Future research could investigate comparative regional effectiveness, population growth's impact on housing supply, the efficacy of vertical housing solutions, and public perception campaigns. Additionally, research could explore innovative monitoring systems, quality assurance mechanisms, economic impacts, and the integration of digital tools to optimize policy implementation and stakeholder engagement.

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